Interim Report

as at 30 September 2013

14 November 2013

MARR S.p.A.
Via Spagna, 20 – 47921 Rimini – Italy
Capital stock € 33,262,560 fully paid up
Tax code and Trade Register of Rimini 01836980365
R.E.A. Ufficio di Rimini n. 276618
Subject to the management and coordination of Cremonini S.p.A. – Castelvetro (MO)

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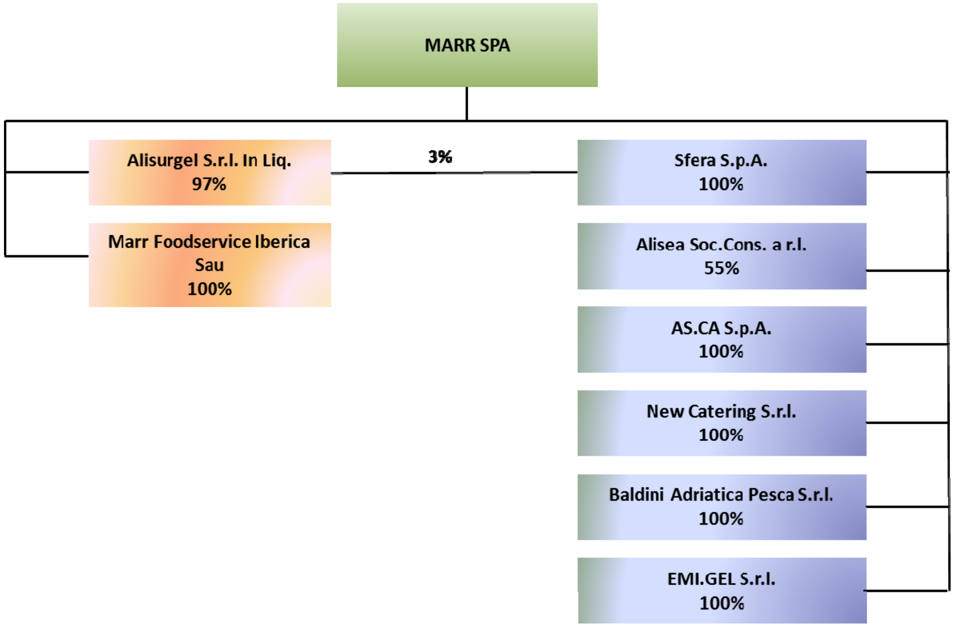
MARR GROUP ORGANISATION

At 30 September 2013



As at September 2013 the structure of the Group does not differ from that at 31 December 2012, nor from that at 30 September 2012.

The MARR Group's activities are entirely dedicated to the foodservice distribution and are listed in the following table:

MARR S.p.A. Via Spagna n. 20 - Rimini (activities carried out through 30 distribution centres)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators.
AS.CA S.p.A. Via dell'Acero n. 1/A - Santarcangelo di Romagna. (Rn)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators.
ALISEA Soc. cons. a r.l. Via Imprunetana per Tavarnuzze n. 231/b – Tavarnuzze - Impruneta (Fi)	Hospital catering.
NEW CATERING S.r.l. Via dell'Acero n.1/A - Santarcangelo di Romagna (Rn)	Marketing and distribution of foodstuff products to bars and fast food outlets.
BALDINI ADRIATICA PESCA S.r.l. Via dell'Acero n. 1/A- Santarcangelo di Romagna (Rn)	Marketing and distribution of fresh and frozen seafood products.
EMI.GEL S.r.l. Via dell'Acero n. 1/A – Santarcangelo di Romagna (Rn)	Marketing and distribution of foodstuff products to bars and fast food outlets.
SFERA S.p.A. Via dell'Acero n. 1/A - Santarcangelo di Romagna (Rn)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators, by the going concern of "Lelli".
MARR FOODSERVICE IBERICA S.A.U. Calle Goya n. 99 - Madrid (Spagna)	Non-operating company.
ALISURGEL S.r.l. in liquidazione Via Giordano Bruno n. 13 - Rimini	Non-operating company now being liquidated.

All the subsidiaries are consolidated on a line – by – line basis.

CORPORATE BODIES OF MARR S.p.A.

Board of Directors

Chairman and Chief Executive Officer	Ugo Ravanelli
Directors	Illias Aratri
	Giosué Boldrini
	Claudia Cremonini
	Vincenzo Cremonini
	Pierpaolo Rossi
Independent Directors	Alfredo Aureli[1][2]
	Paolo Ferrari[1][2]
	Giuseppe Lusignani[1][2]

[1] Members of the Remuneration committee pursuant to the self-regulatory code

[2] Member of Control and Risk Committee

Board of Statutory Auditors

Chairman	Ezio Maria Simonelli
Auditors	Marinella Monterumisi
	Davide Muratori
Alternate Auditors	Simona Muratori
	Stella Fracassi

Independent Auditors	Reconta Ernst & Young S.p.A.
Manager responsible for the drafting of corporate accounting documents	Antonio Tiso

DIRECTORS' REPORT

Group performance and analysis of the results for the third quarter of 2013

The interim report as at 30 September 2013, not audited, has been prepared in accordance with the accounting policies and measurement criteria established by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedures in art. 6 of (EC) Regulation 1606/2002 of the European Parliament and Council dated 19 July 2002, while for information and the purposes of this report, reference is made to article 154-ter of the Legislative Decree 58 dated 24 February 1998.

In the most important quarter of the year the Group MARR closed on 30 September 2013 with positive results that consolidate the revenue growth in the first half, the leadership of the Group in the Italian market of commercialization and distribution of food products to Foodservice sector, and confirm the profitability level achieved.
Particularly, in the third quarter the total consolidated revenues amounted to 422.0 million Euros, an increase of 12.2% compared to 376.1 million Euros in 2012.
Operating profits also increased, with EBITDA and EBIT reaching 36.6 million Euros (33.8 million in 2012) and 31.7 million (29.9 million in 2012) respectively.
The net result reached 19.7 million Euros, compared to 19.1 million in the third quarter of 2012.

After the first nine months, the total consolidated revenues amounted to 1,054.0 million Euros, an increase of 7.8% compared to 977.4 million in 2012.
The EBITDA and EBIT – net of non recurrent costs amounting to 1.4 million Euros concerning the phasing in of the ex Scapa warehouses – reached 78.1 million Euros (74.9 million in 2012) and 67.2 million (65.2 in 2012) respectively.
The net result for the nine months reached 40 million Euros, in line with that of 2012.

As regards the sector of activity represented by "Distribution of food products to non-domestic catering (Foodservice)", the sales can be analyzed in terms of client categories as follows.
In the first nine months of 2013, the MARR Group recorded sales of 1,037.5 million Euros (+7.9% compared to 961.5 million Euros in 2012), while the Group sales in the third quarter amounted to 415.5 million Euros (+12.4% compared to 369.6 million in 2012).

The sales to customers in the Street Market and National Account categories as at 30 September 2013 amounted to 874.8 million Euros (+90.2 million compared to the same period of 2012) with an increase of 11.5%, of which 7.2% was due to the contribution of the Lelli (since 3 September 2012) and Scapa (since 23 February 2013) acquisitions.
Sales to customers in the "Street Market" and "National Account" categories in the third quarter amounted to 354.1 million Euros, an increase of 13.4% compared to 312.3 million in the third quarter of 2012 and an organic growth component of +4.5%, with a value of consumption for "Hotels and out of home food consumption" which fell by 1.4% in the third quarter of this year (Confcommercio Studies Office, November 2013).
The "Street Market" category of customers (restaurants and hotels not belonging to Groups or Chains) recorded sales of 283.0 million Euros in the third quarter (261.8 million in 2012) and 655.7 million in the first nine months (618.2 million in 2012).
Sales to customers in the "National Account" category (operators of chains and groups, and canteens) amounted to 71.1 million Euros (50.5 in 2012) and 219.1 million (166.4 in 2012) in the third quarter and as at 30 September 2013 respectively.
Sales to customers in the "Wholesale" category reached 162.7 million Euros in the first nine months of 2013, compared to 176.8 million in 2012.

Below are the figures, re-classified according to current financial analysis procedures, with the income statement, balance sheet and financial position for the third quarter of 2013 compared to the corresponding periods of the previous year, with regard to which we highlight that application of the amendment of IAS principle 19 ("Employee benefits") which entered into force for business years starting from 1st January 2013 has implied the restatement of the 2012 business year values for the "Staff Severance Provision" and for "Deferred Tax Liabilities" with the relevant effects on Shareholders Equity and Result of the period.

The application of this change has implied the restatement of a Consolidated Shareholders Equity greater for 130 thousand Euros as at 30 September 2012 and lesser for 577 thousand Euros as at 31 December 2012; the Consolidated Net Profit is lesser for 75 thousand Euro in the first nine months of 2012 and lesser for 84 thousand Euro in the third quarter.

Analysis of the re-classified income statement

MARR Consolidated (€thousand)	*3rd quarter 2013*	*%*	*3rd quarter 2012**	*%*	*% Change*	*30.09.13 (9 months)*	*%*	*30.09.12* (9 months)*	*%*	*% Change*
Revenues from sales and services	412,816	*97.8%*	367,470	*97.7%*	*12.3%*	1,029,436	*97.7%*	954,425	*97.6%*	*7.9%*
Other earnings and proceeds	9,148	*2.2%*	8,598	*2.3%*	*6.4%*	24,530	*2.3%*	23,012	*2.4%*	*6.6%*
Total revenues	**421,964**	***100.0%***	**376,068**	***100.0%***	***12.2%***	**1,053,966**	***100.0%***	**977,437**	***100.0%***	***7.8%***
Raw and secondary materials, consumables and goods for resale	(296,510)	*-70.3%*	(274,750)	*-73.1%*	*7.9%*	(814,778)	*-77.3%*	(757,278)	*-77.5%*	*7.6%*
Change in inventories	(28,141)	*-6.6%*	(14,921)	*-4.0%*	*88.6%*	(428)	*0.0%*	(1,801)	*-0.2%*	*-76.2%*
Services	(47,593)	*-11.3%*	(40,641)	*-10.8%*	*17.1%*	(121,127)	*-11.5%*	(108,169)	*-11.1%*	*12.0%*
Leases and rentals	(2,544)	*-0.6%*	(2,116)	*-0.5%*	*20.2%*	(7,773)	*-0.7%*	(5,824)	*-0.5%*	*33.5%*
Other operating costs	(499)	*-0.1%*	(613)	*-0.2%*	*-18.6%*	(1,703)	*-0.2%*	(1,783)	*-0.2%*	*-4.5%*
Value added	**46,677**	***11.1%***	**43,027**	***11.4%***	***8.5%***	**108,157**	***10.3%***	**102,582**	***10.5%***	***5.4%***
Personnel costs	(10,030)	*-2.4%*	(9,266)	*-2.4%*	*8.2%*	(30,036)	*-2.7%*	(27,640)	*-2.8%*	*8.7%*
Gross Operating result	**36,647**	***8.7%***	**33,761**	***9.0%***	***8.5%***	**78,121**	***7.4%***	**74,942**	***7.7%***	***4.2%***
Amortization and depreciation	(1,260)	*-0.3%*	(1,060)	*-0.3%*	*18.9%*	(3,236)	*-0.3%*	(3,192)	*-0.3%*	*1.4%*
Provisions and write-downs	(3,683)	*-0.9%*	(2,793)	*-0.7%*	*31.9%*	(7,675)	*-0.7%*	(6,585)	*-0.7%*	*16.6%*
Operating result	**31,704**	***7.5%***	**29,908**	***8.0%***	***6.0%***	**67,210**	***6.4%***	**65,165**	***6.7%***	***3.1%***
Financial income	387	*0.1%*	675	*0.1%*	*-42.7%*	1,647	*0.1%*	1,670	*0.1%*	*-1.4%*
Financial charges	(2,546)	*-0.6%*	(2,126)	*-0.6%*	*19.8%*	(7,353)	*-0.7%*	(6,314)	*-0.6%*	*16.5%*
Foreign exchange gains and losses	(31)	*0.0%*	(166)	*0.0%*	*-81.3%*	(17)	*0.0%*	(99)	*0.0%*	*-82.8%*
Value adjustments to financial assets	0	*0.0%*	0	*0.0%*	*0.0%*	0	*0.0%*	0	*0.0%*	*0.0%*
Result from recurrent activities	**29,514**	***7.0%***	**28,291**	***7.5%***	***4.3%***	**61,487**	***5.8%***	**60,422**	***6.2%***	***1.8%***
Non-recurring income	0	*0.0%*	0	*0.0%*	*0.0%*	0	*0.0%*	0	*0.0%*	*0.0%*
Non-recurring charges	(321)	*-0.1%*	0	*0.0%*	*-100.0%*	(1,390)	*-0.1%*	0	*0.0%*	*-100.0%*
Profit before taxes	**29,193**	***6.9%***	**28,291**	***7.5%***	***3.2%***	**60,097**	***5.7%***	**60,422**	***6.2%***	***-0.5%***
Income taxes	(9,493)	*-2.2%*	(9,224)	*-2.4%*	*2.9%*	(20,109)	*-1.9%*	(20,279)	*-2.1%*	*-0.8%*
Total net profit	**19,700**	***4.7%***	**19,067**	***5.1%***	***3.3%***	**39,988**	***3.8%***	**40,143**	***4.1%***	***-0.4%***
(Profit)/loss attributable to minority interests	(98)	*0.0%*	(97)	*0.0%*	*1.0%*	(389)	*0.0%*	(396)	*0.0%*	*-1.8%*
Net profit attributable to the MARR Group	**19,602**	***4.7%***	**18,970**	***5.1%***	***3.3%***	**39,599**	***3.8%***	**39,747**	***4.1%***	***-0.4%***

* It should be noted that, as highlighted in the introduction to this Directors' Report and as described in the subsequent Explanatory Notes, the retrospective application of the amendments to IAS 19 ("Employee benefits") has implied the restatement of the items Personnel costs and Taxes concerning the first nine months and consequently the third quarter of 2012.

Due to the business seasonality the third quarter is historically the most significant of the business year; during the third quarter of 2013 MARR's Group achieved revenues amounting to 422.0 million Euros (376.1 million in 2012); EBITDA[1] amounting to 36.6 million Euros (33.8 million in 2012); EBIT amounting to 31.7 million Euros (29.9 million in 2012)and a net result amounting to 19.7 million Euros (19.1 million in 2012).

As previously explained, the increase in total revenues in the third quarter (+12.2%) is a consequence of the positive performance of sales in the "*Street Market*" and "*National Account*".
Regarding the operating costs, the incidence on Total Revenues of the cost of the goods sold (Cost of goods for resale plus change in inventory) is almost stable and goes from 77.1% in 2012 to 76.9% in 2013; we point out an increase of the Services costs, that as in the first six months are affected by higher logistic costs, related to re-organization of distribution and stocking activities started with the management of former Scapa's warehouses of Marzano and Pomezia.
The increase in Leases and Rentals Costs (stable the incidence on total revenues) is related to the fees for the leasing of industrial buildings concerning the activities involved in the lease of the going concerns "Lelli" and "Scapa" and to the relevant going concern lease instalments, that affected the income statement of the Group starting respectively from September 2012 and February 2013.
The Personnel cost, albeit affected by the employees for the management of the going concerns of "Lelli" and "Scapa", shows an incidence on the Total Revenues in line with the previous year, thanks to a careful policy of use of resources.

[1] The EBITDA (Gross Operating Margin) is an economic indicator not defined by the IFRS adopted by MARR for the financial statements from 31 December 2005. The EBITDA is a measure used by the company's management to monitor and assess its operational performance. The management believes that the EBITDA is an important parameter for measuring the Group's performance as it is not affected by the volatility due to the effects of various types of criteria for determining taxable items, the amount and characteristics of the capital used and the relevant amortization policies. Today (following the subsequent detailing of the development of the accounting procedures) the EBITDA (Earnings before interests, taxes, depreciation and amortization) is defined as the business year Profits/Losses gross of amortizations and depreciations, write downs and financial income and charges and income tax.

The item Provisions and write-downs amounted to 3.7 million Euros and consists of almost entirely by the provision for bad debts.

EBIT amounted to 31.7 million Euros (29.9 million in 2012) and is a result of the dynamics of revenues and operating costs highlighted above.

The financial charges of the quarter are 2.5 million Euros increasing on same period of 2012 due to an higher cost of the money and to longer maturities.

The pre-tax result reached 29.2 million Euros in the first nine months (28.3 million in 2012) and has been affected by non-recurrent costs of 321 thousand Euros for the start-up of the ex Scapa warehouses.

As regards the consolidated economic results for the first nine months of 2013 are as follows: total revenues of 1.054,0 million Euros (977.4 million in 2012); EBITDA of 78.1 million Euros (74.9 million in 2012); EBIT of 67.2 million Euros (65.2 million in 2012).

Trends of revenues and operating costs as at 30 September 2013 are the same as those described above for the third quarter.
Particularly: the increase of revenues (+7.8%) is consequence of the positive trend of the sales in the reference categories of the *Street Market* and the *National Account*; the incidence on Total Revenues of the cost of the goods sold is at 77.3% compared to 77.5% of 2012 and is affected by the increase of sales in Grocery category, that typically have an higher gross margin compared to the categories of Meat and Seafood.
The increase in the nine months of Services costs – as outlined above and in the six months – is related to higher costs for the reorganization of stocking and distribution activities.
The increase of the incidence of Services costs on the revenues is also consequence of the increase of sales in the Grocery category, that has a lower average unitary price compared to Meat and Seafood categories and then an higher incidence of costs of handling and transportation, that are related to the volume more than to the value of the goods sold.
The increase in Leases and Rentals Costs, as indicated for the third quarter, is related to the fees for the rent of industrial buildings and the lease of the going concerns related to the management of "Lelli" and "Scapa" activities.
Regarding the Personnel costs, as indicated for the third quarter, even as at 30 September is in line with the same period of previous year as incidence on the Total revenues. This is due to a careful policy of use of resources, oriented to use holidays and to minimize overtime and seasonal work.
The item Provisions and write-downs (7.7 million Euros) includes for 7.5 million Euros the provision for bad debts and is in line in percentage on the total Revenues with the same period of the previous year.

The pre-tax result moved from 60.4 million Euros in the first nine months of 2012 to 60.1 million in 2013 and has been affected by non-recurrent costs of 1.4 million Euros for the start-up of the ex Scapa warehouses, in addition to increased net financial costs (+1.0 million Euros) due to the higher cost of money.

As at 30 September 2013, the total net consolidated profit reached 40.0 million Euros, compared to 40.1 million Euros in the first nine months of 2012.

Analysis of the re-classified statement of financial position

MARR Consolidated (€thousand)	*30.09.13*	*31.12.12**	*30.09.12**
Net intangible assets	99,967	100,050	100,056
Net tangible assets	68,803	52,573	52,806
Equity investments in other companies	304	296	296
Other fixed assets	35,002	31,262	27,131
Total fixed assets (A)	204,076	184,181	180,289
Net trade receivables from customers	446,967	380,511	440,894
Inventories	98,308	98,736	94,362
Suppliers	(319,313)	(270,373)	(316,957)
Trade net working capital (B)	225,962	208,874	218,299
Other current assets	61,921	48,056	51,744
Other current liabilities	(22,843)	(20,172)	(20,889)
Total current assets/liabilities (C)	39,078	27,884	30,855
Net working capital (D) = (B+C)	265,040	236,758	249,154
Other non current liabilities (E)	(321)	(337)	(271)
Staff Severance Provision (F)	(11,680)	(10,965)	(9,870)
Provisions for risks and charges (G)	(36,163)	(14,933)	(35,757)
Net invested capital (H) = (A+D+E+F+G)	420,952	394,704	383,545
Shareholders' equity attributable to the Group	(228,650)	(228,318)	(220,522)
Shareholders' equity attributable to minority interests	(933)	(1,162)	(983)
Consolidated shareholders' equity (I)	(229,583)	(229,480)	(221,505)
(Net short-term financial debt)/Cash	(33,286)	(111,755)	(105,681)
(Net medium/long-term financial debt)	(158,083)	(53,469)	(56,359)
Net financial debt (L)	(191,369)	(165,224)	(162,040)
Net equity and net financial debt (M) = (I+L)	(420,952)	(394,704)	(383,545)

*It should be noted that, as highlighted in the introduction to this Directors' Report and as described in the subsequent Explanatory Notes, the retrospective application of the amendments to IAS19 ("Employee benefits") has implied the restatement as at "31.12.2012" and "30.09.2012" of the items Staff Severance Provision, Deferred Taxes Fund and Net Equity.

Analysis of the Net Financial Position[2]

The following represents the trend in Net Financial Position.

	MARR Consolidated (€thousand)	30.09.13	30.06.13	31.12.12	30.09.12
A.	Cash	13,345	12,718	9,354	11,364
	Cheques	156	261	20	55
	Bank accounts	32,902	35,114	43,035	41,614
	Postal accounts	40	69	186	156
B.	Cash equivalent	33,098	35,444	43,241	41,825
C.	**Liquidity (A) + (B)**	**46,443**	**48,162**	**52,595**	**53,189**
	Current financial receivable due to parent company	1,494	4,630	13,277	517
	Current financial receivable due to related companies	0	0	0	0
	Others financial receivable	2,641	2,507	2,354	2,061
D.	**Current financial receivable**	**4,135**	**7,137**	**15,631**	**2,578**
E.	Current Bank debt	(66,237)	(85,407)	(129,299)	(112,685)
F.	Current portion of non current debt	(17,607)	(39,305)	(50,672)	(48,357)
	Financial debt due to parent company	0	0	0	0
	Financial debt due to related companies	0	0	0	0
	Other financial debt	(20)	(93)	(10)	(406)
G.	Other current financial debt	(20)	(93)	(10)	(406)
H.	Current financial debt (E) + (F) + (G)	(83,864)	(124,805)	(179,981)	(161,448)
I.	Net current financial indebtedness (H) + (D) + (C)	(33,286)	(69,506)	(111,755)	(105,681)
J.	Non current bank loans	(126,781)	(116,879)	(53,469)	(56,359)
K.	Other non current loans	(31,302)	0	0	0
L.	Non current financial indebtedness (J) + (K)	(158,083)	(116,879)	(53,469)	(56,359)
M.	Net financial indebtedness (I) + (L)	(191,369)	(186,385)	(165,224)	(162,040)

The MARR's Group financial debt is affected by the business seasonality, that requires high net working capital during the summer period. Historically, the indebtedness reaches its peak during the first half of the year, and then decrease at the end of the business year.

As at 30 September 2013 indebtedness reached 191.4 million Euros compared to 186.4 million on 30 June 2013 and to 162.0 million Euros to the same period in 2012.

The increase in the net financial position compared to 30 September 2012 is mainly due to some extraordinary operations completed during the period.

As regard the movements of the nine months of 2013 it should be pointed out the following.

On 1st February 2013 the balance of the price for the purchase of a portion of the building in Santarcangelo di Romagna, Via Del Carpino 2 and 4, amounting to 1.5 million Euros, was paid out.

2 The Net Financial Position used as a financial indicator of debts is represented by the total of the following positive and negative components of the Statement of financial position:
Positive short term components: cash and equivalents; items of net working capital collectables; financial assets.
Negative short and long term components: payables to banks; payables to other financiers, payables to leasing companies and factoring companies; payables to shareholders for loans.

On 5 February 2013, the second instalment of the loan in pool, with Banca Imi as Agent Bank, for a total amount of 21.7 million Euros was reimbursed.

On 30 May 2013 dividends amounting to a total of 38.2 million Euros have been paid out.

During the third quarter the purchase from the Consorzio Centro Commerciale Ingrosso Carni Srl of the building located in Bologna, where the branch Carnemilia is based, resulted in a financial outlay of about 15.5 million Euros

With reference to the breakdown of the Net Financial Position in current and non current quota, we point out as follows.
On 18 June a new syndicated loan for a total amount of 85 million Euros was obtained by the Parent Company MARR S.p.A. with BNP Paribas as Arranger and Coordinator, Rabobank (Arranger) and Banca Nazionale del Lavoro as Agent bank. The credit line is composed of a loan facility of 60 million Euros, amortized since June 2014 and expiring date in June 2018, and of a revolving facility of 25 million Euros with bullet reimbursement at 3 years.

On 21 June the Parent Company repaid in advance the loan of 22.5 million Euros with Banca Nazionale del Lavoro, expiring in 2014.

On 27 June, was paid out to MARR S.p.A. a further loan in Pool, with ICCREA Banca Impresa S.p.A. as Agent bank, for a total amount of 13.5 million Euros and expiring date in December 2014.

On 11 July, MARR close a bond private placement for US institutional investors.
The bond loan amounts to 33 million Euro (initially 43 million dollar), of which 7.7 million Euro (initially 10 million dollar) with 7 years maturity and 25 million Euro (initially 33 million dollar) with 10 years maturity. The loan has an average coupon of about 5.1%. In relation to this loan, we point out that the company closed a Cross Currency Swap contract in order to hedge the risk of the exchange rate fluctuation of the US dollar on the Euro.

On 5 August 2013 the third and last installment of the loan in pool with Banca IMI for a total amount of 21.7 million Euros has been reimbursed.

On 2 September 2013 an unsecured loan for 8 million Euros and maturity in February 2015 was granted to the Parent company by Banca Carige.

Those operations allowed MARR to diversify financial resources and lengthen maturities of its financial debts.

The net financial position as at 30 September 2013 remains in line with the company objectives.

Analysis of the Trade net working Capital

MARR Consolidated (€thousand)	*30.09.13*	*30.06.13*	*31.12.12*	*30.09.12*
Net trade receivables from customers	446,967	438,047	380,511	440,894
Inventories	98,308	126,449	98,736	94,362
Payables to suppliers	(319,313)	(342,689)	(270,373)	(316,957)
Trade net working capital	225,962	221,807	208,874	218,299

As at 30 September 2013 the trade net working capital amounts to 226.0 million Euros compared to 221.8 million Euros of June 30, 2013 and to 218.3 million of 30 September, 2012.
As regards the individual items of the working capital, compared to the end of the first nine months of 2012, it should be noted an increase in net trade receivables of 6.1 million Euros, which is related to the increase in sales.
On the other hand the increase in the accounts payable to suppliers (+2.4 million) and also in inventories (+3.9 million) are related to the increase in sales.
The trade net working capital remains in line with the company objectives.

Re-classified cash-flow statement

MARR Consolidated (€thousand)	30.09.13	30.09.12*
Net profit before minority interests	39,988	40,143
Amortization and depreciation	3,236	3,192
Change in Staff Severance Provision	715	573
Operating cash-flow	43,939	43,908
(Increase) decrease in receivables from customers	(66,456)	(72,568)
(Increase) decrease in inventories	428	1,801
Increase (decrease) in payables to suppliers	48,940	57,235
(Increase) decrease in other items of the working capital	9,871	9,439
Change in working capital	(7,217)	(4,093)
Net (investments) in intangible assets	(37)	(126)
Net (investments) in tangible assets	(19,350)	(1,552)
Net change in financial assets and other fixed assets	(3,748)	(1,823)
Net change in other non current finantial debt	149	317
Investments in other fixed assets	(22,986)	(3,184)
Free - cash flow before dividends	13,736	36,631
Distribution of dividends	(38,175)	(42,124)
Capital increase	0	0
Other changes, including those of minority interests	(1,706)	(559)
Casf-flow from (for) change in shareholders' equity	(39,881)	(42,683)
FREE - CASH FLOW	(26,145)	(6,052)
Opening net financial debt	(165,224)	(155,988)
Cash-flow for the period	(26,145)	(6,052)
Closing net financial debt	(191,369)	(162,040)

* It should be noted that, as highlighted in the introduction to this Directors' Report and as described in the subsequent Explanatory Notes, the retrospective application of the amendments to IAS 19 ("Employee benefits") has implied the restatement for the previous years of the items Staff Severance Provisions, Deferred Taxes and Net Equity.

Investments

As regards the increase in "Land and Buildings" and "Plant and machinery", in addition to the purchase finalized on February 1, 2013 of a portion of the building in Santarcangelo di Romagna which managerial offices are located, we point out the purchase in July for a total of 15.5 million Euros of the building located in Bologna where the branch of Carnemilia is based.
The purchase of Carnemillia, that is centre strategic for processing activities (boning and cut), control, stocking and distribution of Meat to the singular commercial distribution centres, is part of the reorganization of the stocking platforms.

The following is a summary of the net investments made in the third quarter and in the first nine months of 2013.

(€thousand)	*3rd quarter 2013*	*30.09.13*
Intangible assets		
Patents and intellectual property rights	28	37
Total intangible assets	28	37
Tangible assets		
Land and buildings	11,887	13,491
Plant and machinery	4,376	4,875
Industrial and business equipment	62	305
Other assets	367	614
Fixed assets under development and advances	41	65
Total tangible assets	16,733	19,350
Total	16,761	19,387

Other information

The Company neither holds nor has ever held shares or quotas of parent companies, even through third party persons and/or companies; consequently during the year 2013 the company never purchased or sold the above-mentioned shares and/or quotas.

In the context of the "buy back" program, in the first nine months of 2013 no ordinary MARR shares have been purchased or sold; as at 30 September 2013 the company held a total of 705,647 of its own shares, amounting about to 1.06% of the share capital, for a total amount of 3,820 thousand Euros.

As pointed out in the next paragraph "Events occurred after the closing of the third quarter of 2013" (to which we refer for further details), on 17 October 2013, in the context of the aforementioned "buy back" program, the company sold no. 705,647 ordinary MARR shares.

Today, MARR S.p.A. no longer owns own shares.

During the first nine months of 2013, the Group did not carry out atypical or unusual operations.

Main events in the third quarter of 2013

On 12 July, MARR notified the closing of a bond private placement amounting to 43 million dollars, for US institutional investors.
The bond loan, of which 10 million dollars with 7 years maturity and 33 million dollars with 10 years maturity, after the swap in Euros, has an average coupon of about 5.1%.
This is the debut for MARR on the US private placement market, and MARR is the only Italian company with sales concentrated in Italy to have finalised a USPP financing recently.
The operation will enable MARR to diversify its sources of financing and to extend their expiry dates, thereby giving more solidity to the process of consolidation of its own reference market.

In the framework of the reorganisation of the storage platforms, the purchase from the Consorzio Commerciale Ingrosso Carni Srl of the property located in Bologna where the branch of Carnemilia is based, which had been previously leased by MARR for an annual fee of approximately 1.1 million Euros, was finalised in July.
The price for the purchase of the real estate property and equipment installed therein has been determined at 15.5 million Euros, that was paid on signature of the purchase contract in July.
The reduced rental cost consequent to the purchase will have a positive effect, on an annual basis, of more than 1 million Euros on the EBITDA, effect that at the EBIT level and because of the increased depreciation costs, is reduced to approximately 580 thousand Euros. Net of the increased financial costs due to the purchase payment, the impact on the net profit is expected to be almost neutral.

Events occurred after the closing of the third quarter of 2013

On 17 October, within the terms set by the resolution of the meeting of Shareholders on 28 April 2012, MARR sold no. 705,647 ordinary MARR shares (amounting to 1.06% of the share capital) at a price of 9.90 Euros per share for a total amount of 6,985,905.30 Euros.

MARR had purchased the treasury shares between the period 28 January 2008 and 6 March 2009 at an average price of 5.43 Euros.

Outlook

Although in a market context that remains difficult overall, on the basis of the results achieved as at 30 September, the goals of consolidation of the market share and maintenance of the profitability level reached is confirmed for the end of the business year.

The management focus also continues to be aimed at the management of the net working capital and, following the integration of the ex Scapa warehouses, the re-planning of logistical activities, aimed at increasing the specialization of customer services and operating efficiency.

Interim Consolidated Financial Statements

MARR Group

Interim Report as at 30 September 2013

STATEMENT OF FINANCIAL POSITION

(€thousand)	*30.09.13*	*31.12.12**	*30.09.12**
ASSETS			
Non-current assets			
Tangible assets	68,803	52,573	52,806
Goodwill	99,630	99,630	99,630
Other intangible assets	337	420	426
Investments in other companies	304	296	296
Non-current financial receivables	2,502	3,504	3,522
Deferred tax assets	10,821	9,512	9,221
Other non-current assets	34,070	24,204	18,796
Total non-current assets	216,467	190,139	184,697
Current assets			
Inventories	98,308	98,736	94,362
Financial receivables	4,135	15,631	2,578
relating to related parties	*1,494*	*13,277*	*517*
Financial instruments / derivative	0	0	0
Trade receivables	434,576	374,553	436,486
relating to related parties	*3,137*	*3,367*	*4,483*
Tax assets	15,830	10,721	17,847
relating to related parties	*6,649*	*2,518*	*8,318*
Cash and cash equivalents	46,443	52,595	53,189
Other current assets	46,091	37,335	33,897
relating to related parties	*387*	*101*	*384*
Total current assets	645,383	589,571	638,359
TOTAL ASSETS	*861,850*	*779,710*	*823,056*
LIABILITIES			
Shareholders' Equity			
Shareholders' Equity attributable to the Group	228,650	228,318	220,522
Share capital	*32,910*	*32,910*	*32,910*
Reserves	*150,565*	*141,069*	*141,908*
Treasury Shares	*(3,477)*	*(3,477)*	*(3,477)*
Retained Earnings	*48,652*	*57,816*	*49,181*
Shareholders' Equity attributable to minority interests	933	1,162	983
Minority interests' capital and reserves	*544*	*554*	*587*
Profit for the period attributable to minority interests	*389*	*608*	*396*
Total Shareholders' Equity	229,583	229,480	221,505
Non-current liabilities			
Non-current financial payables	155,461	53,469	56,359
Financial instruments/derivatives	2,622	0	0
Employee benefits	11,680	10,965	9,870
Provisions for risks and costs	25,091	3,849	24,393
Deferred tax liabilities	11,072	11,084	11,364
Other non-current liabilities	321	337	271
Total non-current liabilities	206,247	79,704	102,257
Current liabilities			
Current financial payables	83,846	179,973	161,439
relating to related parties	*0*	*0*	*0*
Financial instruments/derivatives	18	8	9
Current tax liabilities	1,200	1,480	1,028
relating to related parties	*0*	*0*	*0*
Current trade liabilities	319,313	270,373	316,957
relating to related parties	*10,175*	*8,253*	*9,171*
Other current liabilities	21,643	18,692	19,861
relating to related parties	*0*	*0*	*0*
Total current liabilities	426,020	470,526	499,294
TOTAL LIABILITIES	*861,850*	*779,710*	*823,056*

*It should be noted that, as highlighted in the introduction to the Directors' Report and as described in the subsequent Explanatory Notes, the retrospective application of the amendments to IAS19 ("Employee benefits") has implied the restatement as at "31.12.2012" and "30.09.2012" of the items Staff Severance provision, Deferred taxes fund and Net Equity.

CONSOLIDATED INCOME STATEMENT

(€thousand)	*Note*	*3rd quarter 2013*	*3rd quarter 2012**	*30.09.13*	*30.09.12**
Revenues	1	412,816	367,470	1,029,436	954,425
relating to related parties		*3,645*	*2,942*	*9,803*	*8,284*
Other revenues	2	9,148	8,598	24,530	23,012
relating to related parties		*42*	*31*	*122*	*172*
Changes in inventories		(28,141)	(14,921)	(428)	(1,801)
Purchase of goods for resale and consumables	3	(296,510)	(274,750)	(814,778)	(757,278)
relating to related parties		*(12,874)*	*(10,179)*	*(38,225)*	*(29,388)*
Personnel costs	4	(10,351)	(9,266)	(31,426)	(27,640)
Amortization, depreciation and write-downs	5	(4,943)	(3,853)	(10,911)	(9,777)
Other operating costs	6	(50,636)	(43,370)	(130,603)	(115,776)
relating to related parties		*(677)*	*(1,227)*	*(2,848)*	*(3,359)*
Financial income and charges	7	(2,190)	(1,617)	(5,723)	(4,743)
relating to related parties		*17*	*81*	*168*	*159*
Pre-tax profits		*29,193*	*28,291*	*60,097*	*60,422*
Taxes	8	(9,493)	(9,224)	(20,109)	(20,279)
Profits for the period		*19,700*	*19,067*	*39,988*	*40,143*
Profit for the period atributable to:					
Shareholders of the parent company		19,602	18,970	39,599	39,747
Minority interests		98	97	389	396
		19,700	*19,067*	*39,988*	*40,143*
EPS base (euros)	9	0.30	0.29	0.60	0.60
EPS diluited (euros)	9	0.30	0.29	0.60	0.60

* It should be noted that, as highlighted in the introduction to the Directors' Report and as described in the subsequent Explanatory Notes, the retrospective application of the amendments to IAS19 ("Employee benefits") has implied the restatement of the items Personnel costs and Taxes concerning the first nine months and consequently the third quarter of 2012.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€thousand)	*Note*	*3rd quarter 2013*	*3rd quarter 2012**	*30.09.13*	*30.09.12**
Profits for the period (A)		*19,700*	*19,067*	*39,988*	*40,143*
Items to be reclassified to profit or loss in subsequent periods:					
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		(1,049)	(23)	(1,086)	(43)
Items not to be reclassified to profit or loss in subsequent periods:					
Actuarial (losses)/gains concerning defined benefit plans, net of taxation effect		6	38	(4)	29
Total Other Profits/Losses, net of taxes (B)	*10*	*(1,043)*	*15*	*(1,090)*	*(14)*
Comprehensive Income (A) + (B)		*18,657*	*19,082*	*38,898*	*40,129*
Comprehensive Income attributable to:					
Shareholders of the parent company		18,559	18,982	38,509	39,730
Minority interests		98	100	389	399
		18,657	*19,082*	*38,898*	*40,129*

* It should be noted that, as highlighted in the introduction to the Directors' Report and as described in the subsequent Explanatory Notes, the retrospective application of the amendments to IAS19 ("Employee benefits") has implied the restatement of the items Other Profit and Losses concerning the first nine months and consequently the third quarter of 2012.

CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHODERS EQUITY

(in thousand Euros)

Description	Share Capital	Other reserves															Profits carried over from consolidated	Business year profit (losses)	Total Group net equity	Total third party net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital	Extraordinary reserve	Reserve for residual stock options	Reserve for exercised stock options	Reserve for transition to Ias/Ifrs	Cash-flow hedge reserve	Reserve ex art. 55 (dpr 597-917)	Reserve IAS 19	Total Reserves	Trading on share reserve	Reserve for profit (losses) on treasury shares	Total Treasury Shares				
Balance at 1 January 2012 *	32.910	60.192	6.652	13	36.496	22.159		1.475	7.296	36	1.504	636	136.460	(3.467)	(10)	(3.477)	57.027		222.920	1.129
Allocation of 2011 profit						5.470							**5.470**				(5.470)			
Distribution of parent company dividends																	(42.124)		(42.124)	
Distribution of subsidiaries company dividends																				(545)
Other minor variations											(4)		**(5)**				1		(4)	
Consolidated comprehensive income (1/1 -30/09/2012):																				
- Profit for the period																	39.747		39.747	396
- Other Profits/Losses, net of taxes										(43)		26	**(17)**						(17)	3
Balance at 30 September 2012 *	32.910	60.192	6.652	13	36.496	27.629		1.475	7.296	(7)	1.500	662	141.908	(3.467)	(10)	(3.477)	49.181		220.522	983
Other minor variations											(2)		**(3)**						(3)	
Consolidated comprehensive income (1/10 - 31/12/2012):																				
- Profit for the period																	8.635		8.635	212
- Other Profits/Losses, net of taxes										2		(838)	**(836)**						(836)	(33)
Balance at 31 December 2012 *	32.910	60.192	6.652	13	36.496	27.629		1.475	7.296	(5)	1.498	(176)	141.069	(3.467)	(10)	(3.477)	57.816		228.318	1.162
Allocation of 2012 profit						10.590							**10.590**				(10.590)			
Distribution of parent company dividends																	(38.175)		(38.175)	(618)
Other minor variations											(4)		**(4)**				2		(2)	
Consolidated comprehensive income (1/1 -30/09/2013):																				
- Profit for the period																	39.599		39.599	389
- Other Profits/Losses, net of taxes										(1.086)		(4)	**(1.090)**						(1.090)	
Balance at 30 September 2013	32.910	60.192	6.652	13	36.496	38.219		1.475	7.296	(1.091)	1.493	(180)	150.565	(3.467)	(10)	(3.477)	48.652		228.650	933

*It should be noted that, as highlighted in the introduction to the Directors' Report and as described in the subsequent Explanatory Notes, the retrospective application of the amendments to IAS19 ("Employee benefits") has implied the restatement as at 1st January 2012, 30 September 2012 and 31 December 2012 of the items regarding the Shareholders Equity.

CASH FLOWS STATEMENT (INDIRECT METHOD)

Consolidated (€thousand)	30.09.13	30.09.12*
Result for the Period	39,988	40,143
Adjustment:		
Amortization	3,236	3,192
Allocation of provison for bad debts	7,495	6,583
Capital profit/losses on disposal of assets	(142)	(97)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	5,706	4,644
relating to related parties	*(168)*	*(159)*
Foreign exchange evaluated (gains)/losses	3	113
	16,298	14,435
Net change in Staff Severance Provision	715	573
(Increase) decrease in trade receivables	(67,522)	(81,079)
relating to related parties	*230*	*(535)*
(Increase) decrease in inventories	428	1,801
Increase (decrease) in trade payables	48,940	57,235
relating to related parties	*1,922*	*67*
(Increase) decrease in other assets	(18,623)	1,824
relating to related parties	*(286)*	*(114)*
Increase (decrease) in other liabilities	3,112	1,898
relating to related parties	*0*	*0*
Net change in tax assets / liabilities	20,064	18,534
relating to related parties	*(107)*	*(70)*
Income tax paid	(5,709)	(13,327)
relating to related parties	*(4,024)*	*(10,658)*
Interest paid	(7,353)	(6,314)
relating to related parties	*0*	*(1)*
Interest received	1,647	1,670
relating to related parties	*168*	*160*
Foreign exchange gains	367	381
Foreign exchange losses	(370)	(494)
Cash-flow form operating activities	31,982	37,280
(Investments) in other intangible assets	(37)	(154)
Net disposal in other intangible assets	0	0
(Investments)/adjustments in goodwill	0	28
(Investments) in tangible assets	(20,561)	(2,013)
Net disposal of tangible assets	1,353	559
Cash-flow from investment activities	(19,245)	(1,580)
Distribution of dividends	(38,175)	(42,124)
Other changes, including those of third parties	(1,710)	(559)
Net change in financial payables (excluding the new non-current loans received)	(122,978)	(26,335)
relating to related parties	*0*	*0*
New non-current loans received	131,476	47,500
relating to related parties	*0*	*0*
Net change in current financial receivables	11,496	942
relating to related parties	*11,783*	*1,208*
Net change in non-current financial receivables	1,002	931
Cash-flow from financing activities	(18,889)	(19,645)
Increase (decrease) in cash-flow	(6,152)	16,055
Opening cash and equivalents	52,595	37,134
Closing cash and equivalents	46,443	53,189

*It should be noted that, as highlighted in the introduction to the Directors' Report and as described in the subsequent Explanatory Notes, the retrospective application of the amendments to IAS19 ("Employee benefits") has implied the restatement for the previous years of the items Staff Severance provision, Deferred taxes fund and Net Equity.

EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Structure and contents of the interim condensed consolidated financial statements

The interim report as at 30 September 2013 has been prepared in accordance with the accounting policies and measurement criteria established by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedures in art. 6 of (EC) Regulation 1606/2002 of the European Parliament and Council dated 19 July 2002, while for information and the purposes of this report, reference is made to article 154-ter of the Legislative Decree 58 dated 24 February 1998.

In the "Accounting policies" section, the international accounting principles adopted in the drawing up of the quarterly report as at 30 September 2013 do not differ from those used in the drawing up of the consolidated financial statements as at 31 December 2012, excepted for the amendments and interpretations effective from the 1st January 2013.

For the purposes of the application of IFRS 8 it is noted that the Group operates in the "Distribution" sector only.

The sector of the "Distribution of food products for non-domestic catering" is subject to seasonal dynamics mainly linked to the flows of the tourist season, which are more concentrated in the summer months and during which the increase in activities, and therefore in net working capital, historically implies greater cash flows and the consequent increase in the financial requirements.

With regard to performance levels in the third quarter of 2013, see what described in the Directors' Report.

The interim condensed consolidated financial statements at 30 September 2013 has been prepared on the basis of the cost method except for the derivative financial instruments, which are recorded at fair value.

The consolidated financial statements as at 30 September 2013 show, for comparison purposes, for the Income Statement the figures for the third quarter and progressive figures for 2012 and for the Statement of the Financial Position the figures as at 31 December 2012 and 30 September 2012.
In this regard, we point out that the application of the amendment of IAS principle 19 "Employee benefits", which entered in force for business years starting from 1st January 2013 or later, has implied the restatement of 2012 business year values for the "Staff Severance Provision" and "Deferred Tax Liabilities", with the relevant effects on the Shareholders equity and on the Result of the period.
For further details regarding the above mentioned effects, see what exposed in the paragraph "Accounting Policies".

The following classifications have been used:

- "Statement of financial position" by current/non current items
- "Income statement" by nature
- "Cash flows statement" (indirect method)

These classifications are deemed to provide information which is better suited to represent the economic and financial situation of the Group.

The figures are expressed in Euros.

The statements and tables contained in this quarterly report are shown in thousands of Euros.

The interim report is not subject to auditing.

This report has been prepared using the principles and accounting policies illustrated below:

Consolidation method

Consolidation is made by using the line-by-line method, which consists in recognizing all the items in the assets and liabilities in their entirety. The main consolidation criteria adopted to apply this method are the following:

- Subsidiaries have been consolidated as from the date when control was actually transferred to the Group, and are no longer consolidated as from the date when control was transferred outside the Group.
- Assets and liabilities, charges and income of the companies consolidated on a line-by-line basis, have been fully entered in the consolidated financial statements; the book value of equity investments has been written off against the corresponding portion of shareholders' equity of the related concerns, by assigning to each single item of the statement of financial position's assets and liabilities, the current value as at the date of acquisition of control (purchase method as defined by IFRS 3, "Business combinations"). Any residual difference, if positive, is entered under "*Goodwill*" in the assets; if negative, in the income statement.
- Mutual debt and credit, costs and revenues relationships, between consolidated companies, and the effects of all significant transactions between these companies, have been written off.
- The portions of shareholders' equity and of the results for the period of minority shareholders have been shown separately in the consolidated shareholders' equity and income statement: this holding is determined on the basis of the percentage held in the fair value of the assets and liabilities recorded at the date of original takeover and in the changes in shareholders equity after this date.
- Subsequently, the profits and losses are attributed to the minority shareholders on the basis of the percentage they hold and the losses are attributed to minorities even if this implies that the minority holdings have a negative balance.
- Changes in the shareholding of the parent company in a subsidiary which do not imply loss of control are accounted as operations on capital.
- If the parent company loses control over a subsidiary, it:
    - removes the assets (including any goodwill) and liabilities of the subsidiary,
    - removes the accounting values of any minority holding in the former subsidiary,
    - removes the exchange rate differences accumulated recorded in the net equity,
    - records the fair value of the payment received,
    - records the fair value of any shareholding maintained in the former subsidiary,
    - records all profits and losses in the profit and loss account,

    re-classifies the holding of competence of the parent company in the components previously recorded in the overall profit and loss account to the profit and loss account or profits brought forward, as appropriate.

Scope of consolidation

The interim condensed consolidated financial statements as at 30 September 2013 include the financial statements of the Parent Company MARR S.p.A. and those of the companies it either directly or indirectly controls. The complete list of shareholdings included in the consolidation area as at 30 September 2013, with an indication of the method of consolidation, is included in the Group Organization section.

The interim condensed consolidated financial statements have been prepared on the basis of the financial statements as at 30 September 2013 prepared by the subsidiaries included in the scope of consolidation and adjusted, if necessary, in order to align them to the accounting Group policies and classification criteria, in accordance with IFRS.

The scope of consolidation as at 30 September 2013 does not differ from that at 30 September 2012, nor from that at 31 December 2012.

Accounting policies

The criteria for assessment used for the purpose of predisposing the consolidated accounts up for the quarter closed on 30 September 2013 do not differ from those used for the drafting of the consolidated financial statements as at 31 December 2012, with the exception of the accounting principles, amendments and interpretations applicable as from 1st January 2013.

In particular it should be highlighted the following amendments.

IAS 19 *"Employee benefits"*; the IASB has issued numerous changes to this principle, entered into force for business years starting on 1st January 2013 or later. In addition to simple clarifications and terminology, the

changes to this principle require to recognise the actuarial gains and losses in other comprehensive income, removing the possibility to apply the corridor mechanism.
In compliance to what required by IAS 19, changes have been applied retrospectively, with the restatement of the initial values of the Statement of financial position as at 1st January 2012 and of profit and loss values of 2012.

In this interim report, the restatement of the previous business year values in compliance with this amendment, has implied the following effects:
- as at 1st January 2012, a decrease of Staff Severance Provision for 243 thousand Euros and an increase of Deferred Tax Liabilities for 67 thousand Euros; this implied an increase of Shareholders Equity attributable to the Group for 189 thousand Euros and a decrease of Shareholders Equity attributable to third parties for 13 thousand Euros;
- as at 30 September 2012, a decrease of Staff Severance Provision for 244 thousand Euros and an increase of Deferred Tax Liabilities for 120 thousand Euros; this implied an increase of Shareholders Equity attributable to the Group for 143 thousand Euros and a decrease of Shareholders Equity attributable to third parties for 13 thousand Euros;
- as at 31 December 2012, an increase of Staff Severance Provision for 746 thousand Euros and a decrease of Deferred Tax Liabilities for 169 thousand Euros; this implied a decrease of Shareholders Equity attributable to the Group for 540 thousand Euros and a decrease of Shareholders Equity attributable to third parties for 37 thousand Euros;
- the effect on the income statement in the first 9 months of 2012 has been of lower profit of 72 thousand Euros and the accounting of other losses of the comprehensive income for 4 thousand Euros.

IAS 1 – *"Financial Statement Presentation – Presentation of Items of Other Comprehensive Income"*. The amendments to this principle introduce a grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time now have to be presented separately from items that will never be reclassified. This amendment affected presentation only and had no impact on the Group's financial position or performance.

IFRS 13 "*Fair Value Measurement*" – this principle establishes a single source of guidance in the context of the IFRS for all fair value measurements. This amendment does not change the cases in which it is required to use the fair value, but rather provides a guideline as to how to assess the fair value in the framework of the IFRS when the application of fair value is required or allowed. IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 *Financial Instruments: Disclosures*. Some of these disclosures are specifically required for financial instruments by IAS 34.16A(j), thereby affecting this half- year condensed consolidated financial statements.

Among the other principle effective from 1st January 2013 we point out the following, that have no effect on this interim report:

- IFRS 10 *"Consolidated financial statements"* and IAS 27 *"Separate financial statements (revised in 2011)"*. IFRS 10 replaces part of IAS 27 "Consolidated and separate financial statements" and also includes the problems raised in SIC 12 "Consolidation – Companies with specific destination". IFRS 10 establishes a single model of control applicable to all companies, including those with specific destination, and will require discretional assessments to determine which are the subsidiary companies and which must be consolidated by the parent company. Following the introduction of this new principle, IAS 27 will be limited to the accounting of subsidiary, jointly controlled and affiliate companies in the separate financial statements and will enter into force for business years starting on 1st January 2013 or later.
- IAS 28 *"Investment in associated companies (revised in 2011)"*. As consequence of the new IFRS 11 and IFRS 12, this principle has been renamed "Investments in Associates and Joint Ventures" and describes the application of the net equity method to investments in joint venture in addition to associated companies.
- IFRS 11 *"Joint Arrangements"* – this principle replaces IAS 31 "Interest in joint ventures" and SIC 13 "Jointly-controlled Entities – non monetary contributions by ventures". IFRS 11 removes the option of accounting jointly controlled entities using proportionate consolidation but establishes the use of the net equity method.
- IFRS 12 "*Disclosures of Involvement with Other Entities"* – this principle includes all the dispositions concerning disclosures previously included in IAS 27 concerning the consolidated financial statements as well as all of the disclosures that were included in IAS 31 and IAS 28 concerning the shareholdings of a company in subsidiary, jointly controlled or associated

companies and in structured vehicles and also provides new information examples. This principle have not any impact on the financial position or results of the Group.

- IFRS 1 *"Government Loans _ Amendments to IFRS 1"*. This amendment requires that entities adopting the IFRS for the first time must apply prospectively the dispositions of IAS 20 "*Accounting for Government Grants and disclosure of Government Assistance*" to the existing government loans on the date of transition to the IFRS.
- IFRS 7 *"Disclosures – Offsetting financial assets and financial liabilities"*. These amendments require the entity to disclose information about rights to set-off and relating arrangements. This disclosure will provide the readers of the financial statements with useful information in evaluating the effect of the netting arrangements on the financial position of the entity. This principle will not affect net financial position and results of the Group.

In addition we would highlight some improvements to the IFRS issued in May 2012, which are effective for business years starting on 1st January 2013 or later.

- *IFRS 1 "First-time adoption of the International Financial Reporting Standards"* – this improvement clarifies that an entity that stopped applying IFRS in the past and then decides, or is required, to apply the IFRS again, has the option to re-apply IFRS 1. If IFRS 1 is not re-applied, the entity must retrospectively restate its financial statements, as if it had never stopped applying IFRS.
- *IAS 1* "Presentation of financial statements" – this improvement clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative information is for the previous period.
- *IAS 16 "Property, plant and machinery"* – this improvement clarifies that major spare parts and machinery dedicated to maintenance, which meet the definition of property, plant and machinery, are not inventory.
- *IAS 32 "Financial Instruments: presentation"* – this improvement clarifies that income taxes arising from distribution to shareholders are accounted for in accordance with IAS 12 *"Income taxes"*.
- *IAS 34 "Interim financial reporting"* – this improvement aligns the disclosure requirements for total segment assets with total segment liabilities in the interim financial statements. The clarification is also aimed at ensuring that the interim disclosures is in line with the annual disclosures.

Main estimates adopted by management and discretional assessments

The figures herein are partly derived from estimates and assumptions made by the top Management, variations in which are currently unpredictable and could affect the economic and equity situation of the Group.
These estimates do not differ significantly from those usually used in the drafting of annual and consolidated accounts.

Comments on the main items of the consolidated income statement

1. Revenues

(€thousand)	***3rd quarter 2013***	*3rd quarter 2012*	***30.09.13 (9 months)***	*30.09.12 (9 months)*
Net revenues from sales - Goods	408,887	363,658	1,016,275	941,266
Revenues from Services	3,200	3,428	10,628	10,988
Other revenues from sales	106	146	341	440
Advisory services to third parties	0	0	13	0
Manufacturing on behalf of third parties	10	10	20	21
Rent income (typical management)	14	7	36	21
Other services	599	221	2,123	1,689
Total revenues	412,816	367,470	1,029,436	954,425

For a comment on the trend of the revenues from sales see the Directors' Report. Revenues from Services mainly include charges to customers for processing, transport and dispatch.

The breakdown of the revenues from sales of goods and from services by geographical area is as follows:

(€thousand)	***3rd quarter 2013***	*3rd quarter 2012*	***30.09.13 (9 months)***	*30.09.12 (9 months)*
Italy	390,642	344,543	975,022	878,744
European Union	15,362	12,239	38,882	47,095
Extra-EU countries	6,812	10,688	15,532	28,586
Total	412,816	367,470	1,029,436	954,425

2. Other revenues

The Other revenues are broken down as follows:

(€thousand)	***3rd quarter 2013***	*3rd quarter 2012*	***30.09.13 (9 months)***	*30.09.12 (9 months)*
Contributions from suppliers and others	8,477	7,758	22,578	20,308
Other Sundry earnings and proceeds	496	329	969	1,192
Reimbursement for damages suffered	220	295	438	768
Reimbursement of expenses incurred	(82)	200	376	619
Recovery of legal taxes	13	5	21	24
Capital gains on disposal of assets	24	11	148	101
Total other revenues	9,148	8,598	24,530	23,012

The "Contributions from suppliers and others" consist mainly of contributions obtained from suppliers for the commercial promotion of their products with our customers.

3. Purchase of goods for resale and consumables

This item is composed of:

(€thousand)	*3rd quarter 2013*	*3rd quarter 2012*	*30.09.13 (9 months)*	*30.09.12 (9 months)*
Purchase of goods	294,998	273,366	811,014	753,308
Purchase of packages and packing material	1,241	1,082	2,993	3,034
Purchase of stationery and printed paper	232	180	634	509
Purchase of promotional and sales materials and catalogues	13	59	103	136
Purchase of various materials	140	128	401	386
Discounts and rebates from suppliers	(223)	(209)	(700)	(459)
Fuel for industrial motor vehicles and cars	109	144	333	364
Total purchase of goods for resale and consumables	296,510	274,750	814,778	757,278

4. Personnel costs

This item, amounting to 31,426 thousand Euros as at 30 September 2013 (27,640 thousand Euros as at 30 September 2012, as restated consequently to the application of the amendment to IAS 19), includes all expenses for employed personnel, including holiday and additional monthly salaries as well as related social security charges, in addition to the severance provision and other costs provided contractually.
In the third quarter of 2013, personnel costs amount to 10,351 thousand Euros (9,266 thousand Euros in the third quarter of 2012).

The increase in personnel cost is due to the inclusion of new employees following the lease of the going concerns "Lelli" (starting from 3 September 2012) and "Scapa" (starting from 23 February 2013).

5. Amortizations, depreciations and write-downs

(€thousand)	*3rd quarter 2013*	*3rd quarter 2012*	*30.09.13 (9 months)*	*30.09.12 (9 months)*
Depreciation of tangible assets	1,218	998	3,116	3,006
Amortization of intangible assets	42	62	120	186
Provisions and write-downs	3,683	2,793	7,675	6,585
Total amortization and depreciation	4,943	3,853	10,911	9,777

We point out that the item "Provision and write-downs" as at 30 September 2013 refers for 7,494 thousand Euros (6,582 thousand Euro as at 30 September 2012) to the provision for bad debts.

6. Other operating costs

The details of the "Other operating costs" are as follows:

(€thousand)	*3rd quarter 2013*	*3rd quarter 2012*	*30.09.13 (9 months)*	*30.09.12 (9 months)*
Operating costs for services	47,593	40,641	121,127	108,169
Operating costs for leases and rentals	2,544	2,116	7,773	5,824
Operating costs for other operating charges	499	613	1,703	1,783
Total other operating costs	50,636	43,370	130,603	115,776

The operating costs for services mainly include the following items: commissions, miscellaneous agent costs and sales costs for 30,458 thousand Euros (13,398 thousand Euros in the third quarter); transport costs for 48,158 thousand Euros (18,154 thousand Euros in the third quarter); processing by third parties and other technical and logistical services for 17,404 thousand Euros (6,508 thousand Euros in the third quarter); costs for utilities for 7,521 thousand Euros (3,026 thousand Euros in the third quarter); miscellaneous consultancies for 7,043 thousand Euros (2,498 thousand Euros in the third quarter); handling services and other costs for shifting goods for 2,127 thousand Euros (786 thousand Euros in the third quarter); maintenance costs for 2,801 thousand Euros (972 thousand Euros in the third quarter).

The operating costs for leases and rentals mainly concern the rental fees for industrial buildings, amounting to a total of 6,615 thousand Euros; their increase compared to the same period of the previous year is mainly linked to the fees for the leasing of industrial buildings concerning the activities involved in the lease of the going concern "Scapa" (from February 2013) and "Lelli" (from September 2012).
It should be pointed out that the rental fees for industrial buildings include the fees of 501 thousand Euros paid to the associate companies Le Cupole S.r.l. of Castelvetro (MO) for the rental of the property in which the branch MARR Uno carries out its activities (Via Spagna 20 – Rimini) and for 553 thousand Euros paid to the associate Consorzio Centro Commerciale Ingrosso Carni S.r.l. of Bologna for the rental of the property in which the Carnemilia Division carries out its activities (Via Francesco Fantoni, 31 – Bologna), property which, as highlighted in the Directors' Report, was purchased by the Parent Company in July 2013.

Finally, it should be pointed out that the operating costs for leases and rentals include also lease instalments for the lease of the above mentioned "Lelli" and "Scapa" going concerns, for a total amount of 585 thousand Euros.

The operating costs for other operating charges mainly include the following items: "other indirect duties, taxes and similar costs" for 1,084 thousand Euros, expenses for "local council duties and taxes" for 172 thousand Euros and credit recovery for 189 thousand Euros.

7. Financial income and charges

The following are details of the main items under "Financial income and expenses":

(€thousand)	*3rd quarter 2013*	*3rd quarter 2012*	*30.09.13 (9 months)*	*30.09.12 (9 months)*
Financial charges	2,546	2,126	7,353	6,314
Financial income	(387)	(675)	(1,647)	(1,670)
Foreign exchange (gains)/losses	31	166	17	99
Total financial (income) and charges	2,190	1,617	5,723	4,743

The increase of financial charges is mainly related to the increase of interest rates and to the greater average financial outstanding consequent to the growth of absorption of working capital due to the increase in sales.
Since the third quarter the financial charges are also affected by the terms related to the important operations for the lengthening of the financial debt (see also comments on the Directors' report) closed in June and July.
The net effect of foreign exchange mainly reflects the performance of the Euros compared to the US dollar, which is the currency for imports from non-EU countries.

8. Taxes

(€thousand)	*3rd quarter 2013*	*3rd quarter 2012*	*30.09.13 (9 months)*	*30.09.12 (9 months)*
Ires-Ires charge transferred to Parent Company	8,449	7,977	17,236	17,189
Irap	1,698	1,514	3,781	3,603
Net provision for deferred tax liabilities	(654)	(267)	(908)	(513)
Total taxes	9,493	9,224	20,109	20,279

The value of Deferred Taxes of the third quarter 2012 and as at 30 September 2012 has been restated in order to expose the adjustments regarding the retrospective application of the amendments to IAS principle 19.

9. Other profits/losses

The other profits/losses accounted for in the consolidated comprehensive income statement consists of the effects produced and reflected in the period with reference to the following items:
- effective part of the operations for: hedging interest rates related to variable rate loans existing at the date; hedging exchange risk rate related to the bond in US dollars closed with an operation of private placement during the third quarter; term exchange purchase transactions carried out by the Group to hedge the underlying goods purchasing operations. The values indicated amounted to a total loss of 1,086 thousand Euros in the first nine months of 2013 and are shown net of the taxation effect (that amounts to approximately 418 thousand Euros as at 30 September 2013)
- actuarial losses and gains regarding the evaluation of Staff Severance Provision as required by amendments to IAS principle 19 "Employee Benefits", which entered into force for business years starting from 1st January 2013; the values indicated, amounting to a total loss of 4 thousand Euros, are shown net of the taxation effect.

According to the IFRS these profits/losses have been entered in the net equity and highlighted (according to IAS 1 revised, in force from 1st January 2009) in the consolidated comprehensive income statement.

Earnings per share

The following table is the calculation of the basic and diluted Earnings:

(Euros)	***3rd quarter 2013***	*3rd quarter 2012*	***30.09.13 (9 months)***	*30.09.12 (9 months)*
Basic Earnings Per Share	0.30	0.29	0.60	0.60
Diluted Eaenings Per Share	0.30	0.29	0.60	0.60

It must be pointed out that the calculation is based on the following data:

Earnings:

(€thousand)	***3rd quarter 2013***	*3rd quarter 2012*	***30.09.13 (9 months)***	*30.09.12 (9 months)*
Profit for the period	19,700	19,067	39,988	40,143
Minority interests	(98)	(97)	(389)	(396)
Profit used to determine basic and diluted earnings per share	19,602	18,970	39,599	39,747

Number of shares:

(number of shares)	***3rd quarter 2013***	*3rd quarter 2012*	***30.09.13 (9 months)***	*30.09.12 (9 months)*
Weighted average number of ordinary shares used to determine basic earning per share	65,819,473	65,819,473	65,819,473	65,819,473
Adjustments for share options	0	0	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	65,819,473	65,819,473	65,819,473	65,819,473

We point out that for the calculation of profits per share, as at September 30, 2013 the weighted average of ordinary shares in circulation has been used, taking into consideration the purchases of own shares made until this date.

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Rimini, 14 November 2013

The Chairman of the Board of Directors

Ugo Ravanelli

STATEMENT BY THE RESPONSIBLE FOR THE DRAFTING OF CORPORATE ACCOUNTING DOCUMENTS PURSUANT TO ART. 154-BIS PARAGRAPH 2 OF LEGISLATIVE DECREE 58 DATED 24 FEBRUARY 1998

The manager responsible for preparing the company's financial reports, Antonio Tiso, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this interim report corresponds to the document results, books and accounting records.

Rimini, 14 November 2013

Antonio Tiso
Manager responsible for the drafting
of corporate accounting documents